

VZCZCXYZ0001
OO RUEHWEB

DE RUEHTC #2306 2971615
ZNY CCCCC ZZH
O 241615Z OCT 06
FM AMEMBASSY THE HAGUE
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7215
INFO RUEHZG/NATO EU COLLECTIVE PRIORITY
RUEKJCS/CJCS WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L THE HAGUE 002306

SIPDIS

SIPDIS

STATE FOR EUR/UBI; OSD FOR FRANK KENLON, MARY MILLER

E.O. 12958: DECL: 10/24/2016
TAGS: MARR PGOV PREL NL
SUBJECT: NETHERLANDS/JSF: PARLIAMENT APPROVES FOLLOW-ON
PHASE

Cla...

82948,10/24/2006 16:15,06THEHAGUE2306,"Embassy The
Hague",CONFIDENTIAL,,"VZCZCXYZ0001
OO RUEHWEB
DE RUEHTC #2306 2971615
ZNY CCCCC ZZH
O 241615Z OCT 06
FM AMEMBASSY THE HAGUE
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7215
INFO RUEHZG/NATO EU COLLECTIVE PRIORITY
RUEKJCS/CJCS WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY", "C O N F I D E N T I A L THE HAGUE
002306
SIPDIS
SIPDIS
STATE FOR EUR/UBI; OSD FOR FRANK KENLON, MARY MILLER
E.O. 12958: DECL: 10/24/2016
TAGS: MARR PGOV PREL NL
SUBJECT: NETHERLANDS/JSF: PARLIAMENT APPROVES FOLLOW-ON
PHASE
Classified By: Acting Political Counselor Jason Grubb,
reasons 1.4 (b,d)

11. (C) Summary: A parliamentary majority approved a resolution October 24 to support GONL participation in the Production, Sustainment, and Follow-on Development (PSFD) phase of the Joint Strike Fighter (JSF) program. Parliamentary approval represented the last hurdle prior to the GONL's plans to sign the PSFD MOU in Washington on November 14. End summary.

Parliamentary Approval

12. (C) The Dutch Cabinet had announced September 29 that GONL participation in the follow-on MOU was contingent on parliamentary approval. Parliament voted on two JSF-related resolutions October 24. The first, sponsored by main opposition Labor Party (PvdA) Defense Spokesperson Frans Timmermans, called for the GONL to delay its plans to sign the JSF follow-on MOU until after the parliamentary elections on November 22 and subsequent formation of the new Dutch government -- typically a three-month process. This resolution garnered support by PvdA, GreenLeft, the Socialist Party, and List Wilders, but fell short of obtaining a parliamentary majority. The second motion, sponsored by CDA Defense Spokesperson Roland Kortenhorst, supported GONL

participation in the JSF follow-on phase. GONL coalition parties CDA and VVD were joined by List Pim Fortuyn, SGP, and the Christian Union to form a majority approving GONL participation in the next phase.

¶3. (C) The vote follows several days of often contentious debate on the draft defense budget pitting Defense Minister Kamp and MOD State Secretary van der Knaap against Timmermans on JSF issues. Central to the debate was a recent report released by the Dutch equivalent of the Government Accountability Office, which described GONL participation in JSF as fraught with financial risks, but ultimately saw no reason to withdraw from the program. Timmermans and PvdA colleagues acknowledged that JSF is the best available option to replace the Dutch Air Force's F-16 fleet, but argued in favor of buying JSF off-the-shelf instead of program participation. Timmermans cited figures from the Dutch GAO report noting that the cost of the program had ballooned to the point that continued participation would be tantamount to ""signing a blank check,"" and such money could be better spent on ""nursing homes.""

¶4. (C) Kamp and van der Knaap argued the Dutch GAO report mistakenly included operational with acquisition costs, thus ""comparing apples with oranges." They acknowledged the obvious risks associated with the program, but these risks have not changed since the Netherlands initially chose to participate in the program. Van der Knaap noted the obvious benefits program participation would have for Dutch defense industry while significantly improving Dutch defense capabilities. He also said the new Dutch government could choose to withdraw from the MOU following the elections.

Sorry, Charlie...

¶5. (C) Perhaps faced with the increasing likelihood of a parliamentary majority in favor of JSF follow-on participation, PvdA released an election campaign cartoon parody depicting three party members (Attje Kuiken, Mei-Li Vos, and Nebahat Albayrak) as Charlie's Angels assigned by PvdA Leader Wouter Bos to foil the JSF program. The cartoon shows these PvdA Angels snatching a case labeled ""JSF millions"" from PM Balkenende just before handing it over to President Bush. Those that viewed the cartoon on the website ""YouTube"" gave it two out of five stars.

MOU Signature on Course

¶6. (C) With parliamentary approval now on the books, the GONL is now set to sign the follow-on MOU in Washington on November 14. Van der Knaap and Trade Minister van Gennip plan to represent the GONL at the signing ceremony.

SCHOFER